Curbing of expenditure of various Ministries

176. SHRI PAWAN KUMAR BANSAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have undertaken an exercise to examine the expenditure of various departments in order to curb the same;

(b) if so, what are the details thereof and what areas have been identified where the expenditure could be cut down; and

(c) what is the approximate amount of savings expected to be made thereby?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c) The expenditure programme of each Ministry|Department is scrutinised and reviewed every year with a view to controlling expenditure, as part of normal budgetary exercise and provisions are made in the Budget for the minimum necessary expenditure. Besides this, as a part of zero base budgeting Ministires|De-partments have been advised to undertake a more thorough review of all their on-going programmes and rank them in the order of priority to facilitate reduction or elimination of expenditure which are of low priority and application of larger funds to items of high priority. The impact of these exercises will be known over a period of years.

Collection of income-tax

177. SHRI PAWAN KUMAR BANSAL: Will the Minister of FINANCZ be pleased to state:

(a) whether the collection of income-tax is going on in accordance with the targets fixed;

(b) if not, what are the reasons therefor; and

(c) what administrative measures have been taken to achieve maximum collection of revenue on this account and to check malpractices within the department?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) The collection of Income-tax (including Corporation tax) upto September, 1988 amounted to Rs. 2492.90 crores which represents 32.13 per cent of the budget target as against 35 per cent fixed by the Board. The shortfall is mainly due to the amendment of Income-tax Act under which the tax payers are required to pay only 20 per cent of the Advance Tax upto September, 1988 as against 33-1] 3 per cent payable in June, 1987 and September, 1987.

(c) The following administrative measures have been taken to achieve maximum collection of revenue: —

(i) More powers have been delegated to Chief Commissioners of Income-tax so that they may be able to take decision on important matters without obtaining the order of the Board.

(ii) In the Action Plan for 1988-89, emphasis has been laid on collection and it has been stipulated that the demand to be carried forward as on 1.4.89 should be 10 per cent less than the demand brought forward as on 1.4.88.

(iii) The Chief Commissioners of Income-tax|Directors General (Investigation) have been instructed to enforce collection immediately after the demand falls due. The Commissioners of Income-tax (Appeals) have also been asked to de-cide important appeals on priority so that the disputes are sorted out and demand is realised quickly.

As regards steps taken to check malpractices within the department, the Vigilance wing of the depatt-